

STATE OF RHODE ISLAND
RHODE ISLAND ETHICS COMMISSION

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2012 YEARLY FINANCIAL STATEMENT
Instruction Sheet

WHO MUST FILE AND WHEN

Present and Former Public Positions

A financial statement must be filed by April 26, 2013 by every person who held an elective office position in state, city or town government during part of the calendar year 2012, or who was elected to such a position in calendar year 2012. An elected official is a person elected to a post in state or local government by public election. If you are a state appointed official, you must file a financial statement if you were appointed to your position by the Governor or the General Assembly, OR if you were appointed for a term of office as specified by the Rhode Island Constitution or by statute. State appointed officials or employees holding "major decision-making" positions are also required to file. Major decision-making positions include the executive or administrative head or heads of a state agency, whether elected or appointed or serving as an employee, and all members of the judiciary. This expressly includes the positions of deputy director, executive director, assistant director and chief of staff.

If you are a municipal appointed official, you must file a financial statement if your official duties and responsibilities include the exercise of decision-making authority over the expenditure of more than \$50,000 in public funds in any fiscal or calendar year, OR your duties include nominating or appointing any person who will receive compensation of more than \$50,000 in any year, OR you are a municipal judge. This expressly includes the following positions: solicitors; assistant solicitors; police chiefs; fire chiefs; superintendents of schools; principals, superintendents and administrators of charter schools; board members of charter schools; principals, superintendents and administrators of state schools; board members of state schools; building inspectors; and members of planning, zoning, licensing, and tax appeals boards.

If you are uncertain whether you should file, submit a letter to the Commission by April 26, 2013 describing your position and requesting an advisory opinion and an extension.

A financial statement must be filed yearly as long as you hold your public position. All but questions 14 and 15 refer to the calendar year 2012. If both you and your spouse are required to file, you must each file separate statements. For purposes of this statement, the term "family member" when used means you, your spouse, or any dependent child.

Elected Officials

A person who held an elective office position in state, city or town government during any part of calendar year 2012, or who was elected to such a position in calendar year 2012, is required to file a financial statement covering calendar year 2012 on or before April 26, 2013.

Candidates

A candidate for elective public office in 2013 must file a financial statement covering calendar year 2012 within 30 days of the filing deadline for the office the candidate seeks.

Appointees

A person who becomes an appointed official during 2013 is required by statute to file a financial statement covering calendar year 2012 within 30 days of the date of appointment or qualification, whichever is later.

Employees

A person hired in 2012 to a position that requires the filing of a financial statement must file a 2012 statement on or before April 26, 2013.

ACCESS FOR PERSONS WITH DISABILITIES

Instructions and financial disclosure forms are available in large print and in Braille. The Commission will make reasonable accommodations to furnish other appropriate auxiliary aids and services when necessary to afford an individual with a disability an equal opportunity to comply with financial disclosure requirements. To request a reasonable accommodation, contact the Ethics Commission's ADA Coordinator.

EXTENSIONS

One extension of up to 60 days shall be granted to any person (other than a candidate) required to file if a request is received by the Commission by the date on which the financial statement is required to be filed.

Candidates for public elective office shall be granted one 15 day extension if good cause is shown and provided the request is received by the Commission by the date on which the financial statement is required to be filed.

THE FOLLOWING INSTRUCTIONS ARE FOR QUESTIONS NUMBERED 1 THROUGH 16:

1. Fill in your full name.
2. Fill in your **home address**. If you have a separate mailing address that should be used, please provide it also.
3. State your public position and indicate whether the office is a part of state, city or town government. Some examples are:

District Court Judge – State
Representative – State District #
Councilperson – Pawtucket
Zoning Board – Bristol
Director (employee) – State

Probate Court Judge – Warren
Tax Assessor – Smithfield
School Committee – Charlestown
Board of Accountancy – State

If the governmental unit is regional, give full name of unit.

For Example: Blackstone Valley Sewer District Commission

Specify whether you were elected, appointed or hired to the public position you hold, the date in which you were elected, appointed or hired, and the date of resignation or termination from the public position, if applicable.

4. If you are a candidate for elective public office in 2013, or were a candidate in the calendar year 2012, designate the office and the governmental unit. If no Declaration of Candidacy has been made by you at the present time, please answer "none" or "not applicable".
5. List your spouse.
6. List only the name of the employer from whom you, your spouse, or dependent child received individually \$1,000 gross income or more. If self-employed, list any occupation from which you or your spouse or dependent child received gross income of \$1,000 or more. If you, your spouse, or dependent child were employed by a state or municipal agency, list the dates of employment and the job title or description of service rendered. If self-employed, list the date and nature of the services which were rendered by you, your spouse, or dependent child to a state or municipal agency where the amount of the fee or charge exceeded \$250. Your natural child, adopted child or step child is a "dependent child" if you provided more than 50% of the child's support during calendar year 2012. **Do not list dollar amounts.**
7. List all real estate other than your principal residence in which you, your spouse or dependent child had a financial interest, no matter where it is located. If no address is available note the description used for local property tax purposes. Financial interest includes indirect interest as well as direct interest and includes mortgages, options, trusts, etc. Real estate held by a corporation in which you have a financial interest, unless the corporation's principal business is real estate, should not be reported in this answer, but your financial interest in such corporation may have to be reported elsewhere. **Do not list dollar amounts.**
8. List the name of the trust, and name and address of the trustee of any trust from which you, your spouse, or dependent child individually received an amount in excess of \$1,000. **Do not list dollar amounts.** If the assets which generate the income are known, list the assets, if unknown, please state.

Example:

Asset: Common stock Vista Corporation

9. If you, your spouse or dependent child held a position as director, officer, partner, trustee, or management position, identify the position and state the business address. This applies to non-profit organizations of any type as well as to profit-making organizations.
10. You must list the source, value and description of out-of-state travel and related expenses (transportation, lodging, meals and entertainment) that you received during the entire 2012 calendar year if ALL THREE of the following factors apply:
1. The out-of-state travel was provided and paid for by another person or entity who is neither your regular private employer nor the state or municipal agency of which you are a member or by which you are employed; AND
 2. The actual cost or fair market value of the expenses relating to the out-of-state travel (transportation, lodging, meals and entertainment), when combined, exceeds \$250; AND
 3. It is more likely than not that the person or entity that provided or paid for the travel and related expenses would NOT have done so BUT FOR the fact that you held a public office or public position. The following are SOME (but not all) circumstances that you may consider in making this determination. If any of these circumstances apply, it is likely that you would not have received the travel but for your public position: (a) You became acquainted with the travel provider through your public agency; (b) you were offered the travel through a communication sent to or through your public agency; (c) other officials or employees in your agency have been offered similar travel from the provider; (d) your counterparts in other agencies or jurisdictions have been offered similar travel by the provider; (e) the provider is affiliated with any "interested person," as defined by Regulation 36-14-5009, or has allowed an interested person to underwrite expenses associated with the travel; (f) the provider is an entity whose membership is limited to, or is largely comprised of, public officials; (g) you had not been offered travel from the provider prior to attaining your public office or employment; (h) a program, invitation, schedule, itinerary or other writing refers to your public title, office, duties or agency; (i) a conference, seminar, or event you are attending directly pertains to your public duties.
11. List any sole proprietorship, firm, corporation, or other business entity in which a 10% ownership interest individually or collectively is held. If the ownership interest does not exceed 10% but exceeds \$5,000, the business must be listed. If a \$5,000 or greater investment interest exists in any business, the business must be listed. An ownership interest includes stock, interest in net profits or losses, assets, creditor's interest in an insolvent business and others. An investment interest includes bonds, notes, debentures, mortgages, and non-ownership financial interests. Value is determined at the highest amount for the calendar year. **(Do not list savings and checking accounts, deposits in financial institutions, shares of a credit union or cooperative bank, mutual funds, life insurance policies and annuities, or bonds of any government or governmental subdivision or money market funds. Do not list dollar amounts or number of shares. Addresses of corporations whose stock is publicly traded need not be listed.)**

Example:

Name

John Doe

Name and Address of Business

ABC Corporation
10 Dorrance Street
Providence, RI

Jane Doe

General Motors

12. This section should be completed if a business listed in #11 did business in calendar year 2012 with a state or municipal agency of which the public official is a member, employee, or over which the public official exercises direct or legislative control. Otherwise, please answer "none" or "not applicable". A state or municipal agency is any branch of state or local government. Generally, if an entity is a division of state or local government, or funded by a state or locality, or can commit state or local funds, or deal with state or local property, it is a state or municipal agency.

A public official exercises legislative control when the official has the power to vote on laws affecting the agency.

A public official exercises direct control when, although not a member or employee of the agency, the official can control or influence agency decisions through his or her official duties.

Transactions exceeding a total of \$250 must be reported. Even if each individual transaction is less than that amount, each must be reported if the total is more than \$250. Since a public official can have an ownership interest or investment interest in a large corporation and not have knowledge or access to knowledge about its business dealings, only business which the public official knows about or should know about must be reported.

Questions 12 and 13 should be answered by those individuals holding a 10% ownership interest in a business, or where a \$5,000 interest represents a significant part of the investment in a business. When the business entity is a multi-state corporation, or when legislative, or direct control is exercised over a number of agencies, it may be impossible for an official to obtain this information.

In such case the official, unless he/she has knowledge concerning a transaction may answer "unknown". **Do not list dollar amounts.**

Example:

Name and Address of Business

ABC Corporation
10 Dorrance Street
Providence, RI

**Date, Name of Agency and
Nature of Transaction**

July 1, 2012 – Contract to sell
lengths of steel pipe to RI
Department of Transportation.

13. Instruction #12 applies as well to this question. The difference is that rather than list business done with an agency, information is sought about business which is directly regulated by your agency. Direct regulation refers to a type of business controlled by an agency on a continuing basis. Utilities, banks, racetracks, are examples. A business which simply requires a license is not regulated – barbers, liquor stores, etc. Personal business such as a personal loan from a bank, or retail purchases of consumer goods should not be listed. If uncertain as to the nature of regulation, please state. **Do not list dollar amounts.**
14. Question #14 seeks information on the acquisition and/or divestiture of ownership or investment in regulated business. Note that the period of time is between January 1, 2013, and the date the statement is filed. Instructions #12 and #13 regarding knowledge apply to this section:

Example: Name and Address of Business	Description of Interest (Not amount) and Date Acquired and/or Divested	Name of Regulating Agency
ABC Corporation 10 Dorrance Street Providence, RI	Common Stock: Acquired 1/18/13 Divested 4/1/13	By Public Utilities Commission (Control of Rates)

15. This question is similar to #12 except it seeks information about acquisition and/or divestiture of a business between January 1, 2013 and the date the statement is filed. If you, your spouse or a dependent child acquired or divested a financial interest in a business as described in #11 between January 1, 2013 and the date the statement is filed, which is doing business in excess of \$250 with a state or municipal agency of which the public official is a member, employee or over which the official exercises direct or legislative control, you should so state. Instructions #12 and #13 regarding knowledge apply. **Do not list dollar amounts.**
16. List the names and addresses of any person or business entity or other organization to whom you, your spouse or dependent child owes more than \$1,000. Such indebtedness may include, but is not limited to, personal loans, car loans, student loans, or indebtedness that originated as business debt but became personal debt through the enforcement of a personal guaranty. **EXCEPT: DO NOT LIST**
- (i) persons who are related within the third degree of consanguinity to the person who owes the money – this includes any of the following relations: brothers, sisters, parents, sons, daughters, grandparents, great grandparents, grandchildren, great grandchildren, uncles, aunts, brothers and sisters-in-law, mothers and fathers-in-law, nieces and nephews, grandsons and granddaughters-in-law, and sons and daughters-in-law.
 - (ii) any financial institution regulated by any state or by the United States if the indebtedness is secured solely by a mortgage on real property used exclusively as your principal residence.
 - (iii) any indebtedness which arose from any transaction(s) involving credit cards.

THE PUBLIC OFFICIAL SHALL SIGN AND SWEAR TO THE COMPLETED FINANCIAL STATEMENT BEFORE A NOTARY PUBLIC OR OTHER PERSON AUTHORIZED TO ADMINISTER OATHS. IN ADDITION, MARRIED COUPLES, BOTH OF WHOM ARE REQUIRED TO FILE, MUST FILE SEPARATE STATEMENTS.

PLEASE NOTE: The Rhode Island Code of Ethics Law and Regulations do not require the submission of a copy of your income tax return. Therefore, please do not attach it to your statement.

NEW QUESTION REGARDING OUT-OF-STATE TRAVEL (Question 10 on Enclosed Form)

There is a new question on the 2012 Financial Disclosure Statement relating to certain out-of-state travel that was paid for or provided by someone else. You must disclose the source, value and description of out-of-state travel and related expenses (transportation, lodging, meals and entertainment) that you received any time during 2012 if ALL THREE of the following factors apply:

1. The out-of-state travel was provided and paid for by another person or entity who is neither your regular private employer nor the state or municipal agency of which you are a member or by which you are employed. *[EXAMPLES: (A) the disclosure is not required if you were employed by ACME Corp. and ACME paid to send you to a conference, meeting or event; (B) the disclosure is not required if you are a municipal official and the Town paid to send you to a meeting, training, event, etc.], AND*
2. The actual cost or fair market value of the expenses relating to the out-of-state travel (transportation, lodging, meals and entertainment), when combined, exceeds \$250; AND
3. It is more likely than not that the person or entity that provided or paid for the travel and related expenses would NOT have done so BUT FOR the fact that you held a public office or public position. *[The following are SOME (but not all) circumstances that you may consider in making this determination: (a) You became acquainted with the travel provider through your public agency; (b) you were offered the travel through a communication sent to or through your public agency; (c) other officials or employees in your agency have been offered similar travel from the provider; (d) your counterparts in other agencies or jurisdictions have been offered similar travel by the provider; (e) the provider is affiliated with any "interested person," as defined by Regulation 36-14-5009, or has allowed an interested person to underwrite expenses associated with the travel; (f) the provider is an entity whose membership is limited to, or is largely comprised of, public officials; (g) you had not been offered travel from the provider prior to attaining your public office or employment; (h) a program invitation, schedule, itinerary or other writing refers to your public title, office, duties or agency; (i) a conference, seminar or event you are attending directly pertains to your public duties.]*

NOTE: GIVEN THE RECENT ADOPTION OF THIS NEW DISCLOSURE REQUIREMENT, THE ETHICS COMMISSION IS AWARE THAT SOME FILERS MAY NOT HAVE KEPT COMPLETE RECORDS OF DISCLOSABLE TRAVEL EXPENSES FOR ALL OF 2012. THEREFORE, IN THIS FIRST FILING YEAR, YOU ARE EXPECTED TO MAKE A GOOD-FAITH EFFORT TO LIST AND VALUE ALL DISCLOSABLE TRAVEL EXPENSES. GOING FORWARD, IT IS SUGGESTED AND EXPECTED THAT YOU WILL MAINTAIN AN ONGOING LOG TO ASSIST YOU IN YOUR YEARLY IDENTIFICATION OF THE SOURCE, VALUE AND DESCRIPTION OF EACH DISCLOSABLE EXPENSE.